



Florida Association of Mortgage Brokers Encourages Consumers to Take Proper Tax Deductions

Association Offers Homeowners Tips to Prepare for Upcoming Tax Season

With the tax season upon us, people are likely gathering their tax documents and scheduling an appointment with their accountant to have their tax return completed. The Florida Association of Mortgage Brokers (FAMB) encourages consumers to make sure they take all mortgage related deductions they are entitled to. We would like to offer a few deduction reminders for consumers to take regarding real estate deductions.

"This is a good opportunity for consumers to maximize the amount of money they receive back from the state and federal government as well as minimize the amount they have to pay," said Patrice Yamato, CRMS, president of the FAMB. "FAMB encourages consumers to talk with their tax professional about how to take advantage of these deductions."

Additionally, the FAMB recommends that consumers consider the following tax tips:

- If you have refinanced or sold your home within calendar year 2006, bring your settlement statement to your accountant to make sure you are taking all of the deductions possible.
- Effective January 1, 2007, private mortgage insurance (PMI) is now tax deductible for consumers whose personal adjusted gross income is \$100,000 or less per year. This applies to loans that are closed during calendar year 2007.
- Real estate taxes that you paid on your property are deductible. If you have recently refinanced, make sure to take appropriate credit for interest paid to your previous lender.
- If you are using part of your home for a business office, your accountant may be able to treat some of your housing costs as business expense. Calculate the total square footage of your home and the square footage you are using for the office, as well as your expenses including insurance, so that you can discuss the matter with your accountant.
- If you have made home improvements, keep your receipts. Although they might not be tax deductible, they can be used to reduce your taxable gain when you eventually sell your home.
- If you recently sold your primary residence and have not purchased a replacement property, be certain you advise your accountant.
- If you have to make permanent improvements to your home because of a medical condition (prescribed in writing by your doctor), such as installing air-conditioning or handicap ramps, these expenses may be partially deductible.
- If you have moved more than 50 miles away, you can deduct the cost of relocating and moving household goods and vehicles to your new home.
- Use the 1098 interest form for the mortgage interest paid on an annual basis.
- Make sure to check with your tax accountant to ensure you are taking the proper tax deductions.

The Florida Association of Mortgage Brokers is the oldest state trade mortgage association in the nation whose members strive to attain the highest degree of excellence and customer service available. FAMB members also subscribe to a strict code of ethics. For more information or to find a mortgage broker in your area, visit the consumer information page on the FAMB web site at www.famb.org.